



TEXAS DEPARTMENT OF AGRICULTURE COMMISSIONER SID MILLER

October 15, 2015

Texas Community Development Block Grant Program

Re: Issuance of the 2015 Texas CDBG Project Implementation Manual

Dear Stakeholders –

On behalf of the Texas Department of Agriculture (TDA), thank you for your input and comments regarding the draft of the 2015 Texas CDBG Project Implementation Manual (hereinafter “2015 TxCDBG Implementation Manual”).

Upon the issuance of the draft of the 2015 TxCDBG Implementation Manual on August 19, 2015, TDA invited feedback from the public. Additionally, members from the TDA staff conducted four workshops on the 2015 TxCDBG Implementation Manual throughout the State of Texas requesting comments and suggested reforms. In response to these efforts, TDA received written commentary as well as insight from several of the 200 people who participated in these workshops. Many of your suggestions were incorporated into the final version of the 2015 TxCDBG Implementation Manual.

Please note the following:

1. The 2015 TxCDBG Implementation Manual as well as all associated Forms and Appendices are effective on October 15, 2015. All actions that occur on an open contract on or after this date will be governed by these policies. Any actions under existing contracts or pre-agreements that occur before October 15, 2015 will be under the policies of the 2014 TxCDBG Project Implementation Manual, policies and procedures. For example, any procurement completed before October 15, 2015, must comply with the policies and procedures of the 2014 TxCDBG Project Implementation Manual.
2. Language found in the chapters of the 2015 TxCDBG Implementation Manual shall only be changed through policy issuances by TDA. All Forms and Appendices to the 2015 TxCDBG Implementation Manual, however, are resources for program participants and subject to change as needed.
3. Following the Project Implementation Workshop webinar, TDA will issue a listing of TDA certified administrators to assist Grant Recipients in the procurement of administration/service providers.

If you were certified as an administrator through the workshops and your name is not listed, please contact TDA at Ruby.Hooks@TexasAgriculture.gov.

4. Throughout the manual, Grant Recipients are reminded of the following two requirements:
 - a. the need to provide environmental clearance prior to any choice-limiting action, including environmental exemptions prior to procurement of administrative and professional services; and
 - b. the requirement that all contractors, including administrative and professional service providers, are cleared through Sam.gov. (not debarred) and such clearance can be substantiated for monitoring purposes.
5. For the procurement of Administration/Service Providers, a new Step by Step has been included with Appendix D. If any communities need assistance in procuring Administrators, please contact Barbara Curry at Barbara.Curry@TexasAgriculture.gov or Vada Dillawn at Vada.Dillawn@TexasAgriculture.gov.
6. All sample bid packets for Administration (Appendix D), Engineering (Appendix E), Construction (Appendix F), and Materials (Appendix G) including contracts and materials have been updated, including but not limited to, required contract provisions and updated thresholds.
7. Links to Federal rules and regulations are now found as links in *Links to Resources* (Appendix A) instead of the actual Federal regulation (with the exception of HUD 4010 which is found in the construction bid packet in Appendix F).
8. The following have been added to assist Grant Recipients:
 - a. Table of Contents for the entire manual
 - b. Acronym Listing
 - c. Links to Resources (links to all pertinent federal/state rules and regulations as well as email addresses)(Appendix A)
 - d. Required Contract Provisions (Appendix B)
 - e. Conflict of Interest Policy (Appendix C)

Notable policy and procedure edits:

1. Clarifies that a partial audit of an entity is not acceptable to establish financial capacity. Requires additional information for any adverse opinions by an auditor. Chapter 2, Section 2.1.3
2. For actual costs incurred, allows the Grant Recipient to disburse funds within five (5) 'business' days instead of 'calendar' days. For state and federal holidays, the Grant

Recipient should note such holidays on their ledger to assist TDA monitoring staff. Chapter 2, Section 2.3.2

3. Deletes any threshold for the procurement of competitive proposals. Ch. 5
4. Defines the Selection Review Committee for professional services. Ch. 5, 5.2.1 Step 1
5. Delineates that the RFP must include evaluation factors. Ch. 5, 5.2.1 Step 4
6. For construction contracts, adds the provision for recovered materials and HUD 4010 language, including certification of construction contractor's knowledge of recovered materials requirements Ch. 5, 5.4.5, 5.4.9
7. Requires resolutions/policies regarding civil rights to be adopted or reaffirmed no more than two years prior to the contract start date, to ensure that such policies are current. Deleted requirement that they are to be adopted or reaffirmed with each CDBG contract. Ch. 10, pg. 4.
8. Provides a third option for posting: public posting in courthouse/city supported by affidavit and the Grant Recipient's website during the term of the contract. Ch. 10, pg. 10-5 (Step 6), pg. 10-7 (Step 11), 10.2.1, 10.2.5
9. Adds the requirement of negotiation of profit for contracts over \$50K. If greater than \$50K, requires the contractor to certify its percentage of profit in its bid proposal. Ch. 5, 5.1, 5.2.1(Step 7), 5.4.3, 5.5

Again, thank you for your input and for all that you do for rural Texas.

Sincerely,

A handwritten signature in black ink, appearing to read "Suzanne Barnard", written in a cursive style.

Suzanne Barnard

Director for CDBG Programs